

## Statistics

Active Registrants, as of May 3, 2002 – 493

## Reorganization of the Department

We know that you are not interested in all of the details about the reorganization of the Department of Regulation and Licensing; however, you may find it worthwhile to know that all of the licensing staff are now in the new Division of Professional Credentialing. The Division Administrator is Lori Huntoon. Clete Hansen is now the Administrator of the Division of Board Services. He also continues to be the Director of the Bureau of Direct Licensing and Real Estate. His primary responsibility is to supervise the staff who provide services to all of the boards, committees and councils, relating to all of the professions and occupations regulated by the Department. The new Administrator of the Division of Enforcement is Barry Wanner. The former Administrator, Jack Temby, is now the Business Team Supervisor in the Division of Enforcement.

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## HOME INSPECTOR ADVISORY COMMITTEE

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### Members of the Committee

Jerome G. Baumgardt (Elm Grove)  
 Larry Engen (Hazelhurst)  
 Mark Jankowski (Portage)  
 Norbert Lovata (Madison)  
 Rita McCain (Milwaukee)  
 Rick Staff (Madison)  
 Mark Thomas (Milwaukee)  
 Brian Vanden Heuvel (Sobieski)  
 Ada Duffey (Milwaukee)

### Administrative Staff:

Cletus J. Hansen, Division Administrator

### Executive Staff:

Oscar Herrera, Secretary  
 Greg Horstman, Deputy Secretary  
 Myra Shelton, Executive Assistant

## Asbestos in Vermiculite Insulation

The Department has received a letter from Dr. Henry Anderson, Chief Medical Officer, Environmental Health, Department of Health and Family Services, concerning the potential exposure to asbestos in vermiculite insulation.

“Asbestos fibers must be breathed in to cause disease. Disturbing vermiculite insulation or dust containing asbestos will result in exposure unless precautions are taken,” said Dr. Anderson. Dr. Anderson also pointed out that various agencies are following a basic protocol on asbestos detection levels. “If ANY asbestos is found, even below 1% detect levels, treat it as a hazardous substance,” he said.

For more information check the following Web sites:

[www.dhfs.state.wi/dph\\_beh/Env\\_Health\\_Resources/Human\\_Health\\_Hazards/index.htm](http://www.dhfs.state.wi/dph_beh/Env_Health_Resources/Human_Health_Hazards/index.htm)  
<http://www.atsdr.cdc.gov/NEWS/asbestosexposure2.html>  
<http://www.epa.gov/asbestos/index.htm>

## Continuing Education During 2001-2002

“Crunch” time is rapidly approaching. We are referring to the renewal requirement for 20 hours of continuing education by a home inspector who received an original registration certificate on or after January 1, 2002, and 40 hours of continuing education by a person who had received an original registration certificate before January 1, 2002. If you don’t complete this requirement before the renewal deadline, you won’t be permitted to renew

Contents	
Statistics.....	1
Reorganization of the Department .....	1
Asbestos in Vermiculite Insulation .....	1
Continuing Education During 2001-2002 .....	1
Home Inspector Report - 2001 .....	2
Renewal of Registration .....	3
National Home Inspectors Exam.....	3
Provisions in Offer to Purchase, Relating to Inspections...	3
Telephone Directory and Miscellaneous .....	4

your registration and you will be required to discontinue your practice until you do satisfy the requirement and obtain a renewed registration certificate. You should anticipate that the Department will conduct a random audit next spring to determine whether home inspectors provided truthful information about having satisfied their continuing education requirement.

### **Home Inspector Report – 2001**

Pursuant to the reporting requirements in Section 440.979 of the Wisconsin Statutes, the Wisconsin Department of Regulation and Licensing is submitting this third annual report to the legislature on the status of home inspector regulation in the State of Wisconsin.

#### Background:

The Wisconsin Act which authorized the Department of Regulation and Licensing to begin regulating home inspectors was 1997 Wisconsin Act 81. It was enacted on April 13, 1998, and published on April 27, 1998, with a delayed implementation date of November 1, 1998. After that date, any persons conducting home inspections in Wisconsin have been required to be registered with the Wisconsin Department of Regulation and Licensing.

Generally, every individual who acts as a home inspector, who uses the title "home inspector," who uses any title or description that implies that he or she is a home inspector, or who represents himself or herself as a home inspector must be registered with the Department. There are, however, a few exemptions in the law. A business entity is not required to be registered by the Department. A business entity may provide home inspection services and it may use the title "home inspector" to describe itself, if all of the home inspectors employed by it are registered with the Department. Some other persons are also exempted from registration, such as those individuals who are engaged in conducting inspections in the normal course of their employment by a federal, state or local governmental agency; those individuals who conduct energy-related audits; and those individuals who conduct home inspections while lawfully practicing within the scope of a license, permit or certificate granted to them by a state governmental agency.

For purposes of successfully implementing this new law, a Home Inspector Advisory Committee was appointed in 1998. This committee has assisted in developing and revising administrative rules. The committee

has also provided advice and counsel regarding home inspector practices, examination development and application materials. The committee met 3 times in 2001. A roster of current committee members is attached as Attachment A.

#### Number of Home Inspectors:

The following chart shows the number of individuals registered by the Department during specific time periods.

Year	Number Registered
9/98 to 12/98	515
1/1/99 to 12/31/99	341
1/1/00 to 12/31/00	134
1/1/01 to 12/31/01	74

The Department renewed 287 home inspector registrations for the first time at the end of 2000. Seven hundred three (703) home inspectors did not renew their registration. The next renewal deadline is December 31, 2002. Many home inspectors did not renew their registration for one of the following reasons:

1. They mistakenly assumed that this was a new profession with new opportunities. Actually, the profession had been developing for quite a few years before implementation of the new regulation.
2. They either chose not to take an additional licensing examination or they did take the examination but failed to pass it.
3. They did not complete the required continuing education courses.

The total number of active registered home inspectors as of December 31, 2001, was 438.

#### Number and Nature of Complaints:

The Department received one complaint relating to home inspection services rendered in Wisconsin in 1998, 21 complaints in 1999, 17 complaints in 2000 and 30 complaints in 2001. Please refer to Attachment B for a description of each of these complaints and for information regarding the resolution of them.

#### Costs Incurred by Home Inspectors:

The fee for original registration as a home inspector is \$53. Individuals seeking registration as a home inspector in Wisconsin must pass a national home inspector examination and a state examination.

The state examination covers the Wisconsin statutes and administrative rules relating to home inspections. The cost for taking the state

examination is \$57. The national examination, developed by the Examination Board of Professional Home Inspectors, is a 200-question examination that covers appropriate procedures for conducting home inspections. Candidates must pay \$195 to take this national exam.

When application and examination fees are included, successful home inspector candidates will spend approximately \$305 to complete the application/examination process.

Individuals registered as home inspectors in Wisconsin are also statutorily required to obtain 40 hours of continuing education every two years. The estimated cost of this continuing education requirement is \$500. The renewal fee at the end of 2002 will be \$53.

#### Costs Incurred by the Department:

In 2001 the Department has incurred the following approximate costs in conjunction with implementation of this statute:

Salary/Benefits (50% of Program Assistant 3 salary and benefits)	\$19,921
Examination (includes site rental, item writers, examiners, freight, proctor fees)	3,252
Mailing Costs (includes cost of printing and mailing applications and other information)	2,000
Other Costs (includes administrative, advisory committee, legal and data processing)	6,000
<b>TOTAL</b>	<b>\$31,173</b>

#### **Renewal of Registration**

The Department will send renewal applications and instructions to home inspectors early in November 2002. The fee for renewal of your registration will be \$53.

#### **National Home Inspectors Exam**

Barbara Showers came to the Home Inspectors Advisory Committee meeting and discussed some communications she received from the

Examination Board of Professional Home Inspectors (EBPHI). She gave the Committee members a document that summarized the statistics for the Wisconsin exam and she gave statistics for the performance of Wisconsin candidates on the national exam. The pass rate on the national exam between November 1, 2001 and January 31, 2002, was 48%. Twenty persons passed and 22 persons failed.

#### **Provisions in Offer to Purchase, Relating to Inspections**

A real estate broker in the Milwaukee area recently offered a suggestion to staff in the Department about the need for home inspectors to understand several provisions in the Department-approved offers to purchase. At this time we will simply pass the suggestion on to you without much comment; however, we will provide more information to you in a future Digest about the discussion of this issue by the Home Inspector Advisory Committee at a meeting that was scheduled to occur after the preparation of this Digest. The suggestion was that home inspectors should carefully review lines 103 to 110 of the Residential Offer to Purchase which read: "TESTING: Except as otherwise provided, Seller's authorization for inspections does not authorize Buyer to conduct testing of the Property. A 'test' is defined as the taking of samples of materials such as soils, water, air or building materials from the Property and the laboratory or other analysis of these materials. If Buyer requires testing, testing contingencies must be specifically provided for at lines 180-186, 317-320 or in an addendum per line 316. Note: Any contingency authorizing such tests should specify the areas of the Property to be tested, the purpose of the test, (e.g., to determine if environmental contamination is present), any limitations on Buyer's testing and any other material terms of the contingency (e.g., Buyer's obligation to return the Property to its original condition). Seller acknowledges that certain inspections or tests may detect environmental pollution which may be required to be reported to the Wisconsin Department of Resources."

There are other provisions regarding inspections in lines 97 to 102 and an inspection contingency in lines 298 to 305.

# REGULATORY DIGEST

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## Telephone Directory

The Department of Regulation and Licensing now uses an IVR Auto-Attendant Telephone System. This system may be accessed 24 hours a day for computerized licensing information. We ask for your patience as we perfect the system and remove some of the bugs we have encountered. You may continue to dial the following telephone number; **however, the extension numbers that had been published in past issues of the Regulatory Digest are no longer valid.** Please listen to the new menu for the new extension numbers. The number to dial is:

**(608) 266-5511**

Our Fax Number is: **(608) 267-3816**

## Visit the Department's Web Site at:

[www.drl.state.wi.us](http://www.drl.state.wi.us)

For our new "Online Verification of Credential Holders" click on the "License Lookup" button on the Department's home page.

Copies of the Regulatory Digest are on the Web.

Send comments to [web@drl.state.wi.us](mailto:web@drl.state.wi.us)

## Wisconsin Statutes and Code

Copies of the "Statutes and Administrative Code Relating to the Regulation of Home Inspectors" can be ordered from the Department.

Include your name, address, county and a check payable to the Department of Regulation and Licensing in the amount of \$5.28. The latest edition

is dated August 2001. New registrants receive a copy free of charge.

## Change of Name or Address?

Please photocopy the mailing label of this digest, make changes in name or address, and return it to the Department. Confirmation of changes is not automatically provided.

**WIS. STATS. S. 440.11 ALLOWS FOR A \$50 PENALTY TO BE IMPOSED WHEN CHANGES ARE NOT REPORTED WITHIN 30 DAYS.**

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